

SECRET

25X1

German Democratic Republic

FDD Abstract

25X1

MISCELLANEOUS FINANCIAL NOTES (2 pp; German; [REDACTED])

25X1

25X1

25X1

This 2-page carbon copy [REDACTED]

report contains miscellaneous financial information.

The first page, dated 13 November (probably 1950), contains the following information:

1) The 1951 Financial Plan for the savings banks compiled by the Kreise was adopted by the budget department of the Ministry of Finance; approval by the Soviet authorities had not been forthcoming at that time.

2) The Politburo of the German Socialist Unity Party decided that the cooperative banks were to be liquidated by 1 January 1951 and incorporated into the German Farmers' Bank. This regrouping was not taken into consideration in setting up the budget of that bank, because the GDR government had not then formally decided the issue. Cooperative banks were to be liquidated because they were operated on a Land basis and had no central management.

3) Profits to the DN (Deutsche Notenbank - German Bank of Issue) under the Plan were to amount to 40 million DM (Deutsche marks) as against the original Plan figure of 25 million.

4) The budget plans for all ministries, with the exception of the Ministry for Public Education, (a total of 44 special departments) were completed and were to be submitted to the Soviet Control Commission for approval as soon as the one missing sectional plan was completed. For final decision, the entire budget had to be presented to the People's Chamber.

5) It was decided that communities under 2,000 inhabitants were to be served by a central bookkeeping establishment. In smaller communities having no DN branch, the Kreis savings bank or its branch was to take over financial bookkeeping and recording of financial transactions. However, this arrangement was to be the exception, since the Kreise were not to be involved in such matters if it could be avoided.

The second page provides a survey of the 1951 Financial Plan for savings banks, by Laender. The first section of the table ~~supplied~~ supplies a profit-and-loss plan for a) cities and communities which are parts of Kreise (Loss - 1,688,000 DM; Profit 10,000 DM); and b) Kreise and independent cities (Loss - 17,204,000 DM, profit - 869,000 DM).- Section two of the table lists investment requirements and amortizations. Investment requirements (6,010,000 DM) are subdivided according to needs for new investments (4,694,000 DM), ~~general repairs~~ major repairs (1,069,000 DM), small investments (247,000 DM). Amortizations are shown as: Total (1,665,000 DM), 65 percent (1,083,000 DM), and 35 percent (582,000 DM). [The meaning of the percentage figures is not explained]. The third and last section indicates undercapitalization (37,804,000 DM) and overcapitalization (2,906,000 DM).

RETURN TO CIA LIBRARY

25X1

[Foreign language document or microfilm of it is available from CIA Library, [REDACTED]]

25X1

31 October 1951

SECRET

25X1

SECRET, [REDACTED]

German Democratic Republic

FDD Abstract [REDACTED]

GDR 1951 BUDGET EXPENDITURE ESTIMATES; ITEMIZED 1951 BUDGET ESTIMATES AND FIRST QUARTER ACTUAL EXPENDITURES FOR SOCIAL INSURANCE AND TRANSPORTATION (3 pp; German; [REDACTED] 25X1 25X1

25X1 [REDACTED] Comment: [REDACTED] some of the figures appear ridiculous but that
25X1 they have been copied as they appear and may serve to indicate how much of the financial plan is out of line.

25X1 This 3-page carbon copy [REDACTED] report shows some expenditure figures under the 1951 budget.

The first page contains budget expenditure figures for 1951 under sectional plans (in million - probably Deutsche marks): Legislative costs (People's Chamber) - 20.4; the President - 3.2; Ministry for Foreign Affairs - 33.9; Ministry of the Interior (GDR and Laender) excluding police - 958.2; State Security Organization (GDR only) - 46.6; Administration (presidential chancellery - GDR and Laender) - 258.7; Intra-German and Foreign Trade: figure for foreign trade losses fixed in the Plan - 1,396.0; Ministry of Finance, total reparations - 3,450.0. Breakdown of the Finance Ministry figures: for reparations so designated within the budget proper - 527.0; added to that, account number 154 - 1,950.0; account number 153 - 600.0; and payments to enterprises to make up for the difference between actual cost price and the amount at which the USSR credit the reparations shipments - 373.0; total - 3,450.0. (Accounts 154 and 153 are known only by their numbers and are handled by the Chief Divisional Director Pauligk.) To above figure an indeterminate amount must be added for indirect reparations.

25X1 The second page gives a breakdown of receipts and disbursements for social insurance (in thousand Deutsche marks). The table is headed horizontally: Budget item number; divisional designation; 1951 receipts estimate; actual receipts for first quarter; 1951 disbursements estimate; actual disbursements for first quarter. The headings on the left margin indicate the various divisions within the Social Insurance Agency. [REDACTED] comment (quoted above) presumably refers to this table. The first item, Social Insurance Administration, is circled in pencil. These figures do appear implausible; the estimate for 1951 receipts is less than half of the actual first quarter receipts. The most serious discrepancy appears in the total for the 1951 receipts estimate. The figure stated in the document is 4,171,829,400 Deutsche marks; addition of the column results in a total of 3,897,829,400 Deutsche marks, a difference of 274 million. The third column total is overstated by 4,000 and the last column by 100,000. Some of the ~~other~~ other figures seem to be similarly out of line. Of course there is the possibility that the error may be the result of incorrect copying of figures before subsources received them, rather than errors in drawing up the Plan, as subsources suggests.

The third page, supplying a breakdown for "Transportation", is headed horizontally exactly like the second page. The headings on the left margin indicate the various sections under Transportation.

[Foreign language document or microfilm of it is available from CIA Library, [REDACTED]

25X1

25X1

RETURN TO CIA LIBRARY

31 October 1951

Approved For Release 2003/10/22 : CIA-RDP83-00415R009100010005-4

SECRET, [REDACTED]

25X1

German Democratic Republic

FDD Abstract [REDACTED]

ANALYSIS OF THE DEVELOPMENT OF MAS STATIONS IN THE GDR IN 1950 (5 pp; German,

25X1

25X1

The first typewritten page of this document is in English and seems to belong to another report, and apparently has been erroneously attached. The country concerned in the fragmentary report, marked report 1006, is Bulgaria.

The remaining 4 pages, carbon copies [REDACTED] make up a report [REDACTED] the Landwirtschaftsplanung MAS (Agricultural Planning Section, Machine Rental Stations) dated 12 June 1951, from Berlin, about the development of the MAS during 1950. The report is divided into two parts.

The first part ~~describes~~ the development of the MAS in 1950. It notes a decline in the number of rental stations from 524 to 514 and lists the apparent causes for this trend. It further states that the number of tractors increased by 51 percent to 10,834, but also notes a shortage of plows, thus creating a surplus of idle tractors. A breakdown by Laender as to the relation of tractors to plows follows, concluding that the distribution of tractors could be improved. Drill machines were not fully exploited, and the number of binders did not increase. The number of threshing machines compared with 31 December 1949 rose to 107 percent, or 7,072. The number of trailers (for cars and trucks) did not increase significantly. The MAS must be better equipped with potato and beet diggers to mechanize the harvesting of root crops.

The second part of the report deals with the work performed by the MAS in 1950. Through the use of tractors the intermediate plowing was increased by 25 percent, to 1,644,000 hectares as compared with 1949. Per tractor, this came to 162 hectares. The amount of field work of the total work performed by tractors amounted to 64.4 percent, or 1,059,000 hectares, as compared with 731,000 hectares in 1949. A table showing the areas cultivated by MAS by size of farm indicates that the MAS supports mainly 5 to 10 hectare farms.

Of the contracts which MAS concluded, it was not able to fulfill 153,000 of intermediate plowing, or 12 percent of all contracts. In Sachsen-Anhalt the percentage of unfulfilled contracts was higher; this Land has the fewest tractors in relation to the number of stations, and the greatest number of obsolete tractors which must be replaced in 1951.

The report goes on to list the percentage increases in transportation services performed by tractors for other contractors. These figures are broken down by hours of work, kilometers, and tonnage hauled, and then compared with the same figures for trucks.

The 1,556,000 tons of grain threshed represent 26 percent of the entire grain crop. The hourly output per threshing machine decreased, and the usability index of 55 percent indicates an aging of the equipment. Fuel consumption chalked up a decrease of 10 percent, with Thuringen setting a good example. A manpower shortage again created a surplus of idle tractors and trucks. Only 14.3 percent of the total work hours of all tractor drivers, brigade workers, and seasonal workers were paid on a piece work basis.

25X1 [Foreign language document or microfilm of it is available from CIA Library, [REDACTED]]

30 Oct 1951